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State Dept. review completed

CIA/OCI/ IM 2354/73

OCI No. 2354/73 1 November 1973

**MEMORANDUM** 

SUBJECT: Ethiopia-US Relations

The government hierarchy in Addis Ababa continues to express doubts about US intentions toward Ethiopia. Last week Emperor Haile Selassie, in a conversation with US Ambassador Adair, asked for Washington's "real reasons" for its recent decision to withdraw by mid-1974 most activities from Kagnew Station, the US communications installation in Asmara, Eritrea. The Emperor--as well as other high level Ethiopians who have raised similar questions recently—was not satisfied with the ambassador's reiteration of the explanation that the withdrawal resulted from US budgetary constraints and technical advances in communications that have considerably diminished Kagnew's importance.

The Ethiopian Government probably has considered Kagnew its most important link with the US. Moreover, Addis Ababa realizes that Kagnew has in effect provided a quid pro quo for the US military assistance program. In light of the recent upsurge of insurgency in Eritrea and Ethiopia's perception of its military vulnerability with respect to Somalia and the Arab world, Addis Ababa has indicated to US officials that the Kagnew decision was at best poorly timed. Ethiopia's suspicions of US intentions have been reinforced by recent projections of US military aid for FY 1974 that fall short of the Emperor's expectations and by what the Ethiopians see as Washington's slowness in spelling out details of the military aid package.

Since the Kagnew decision the Emperor has repeated that the move will not mar friendly relations between Addis Ababa and Washington. The Emperor has been less inclined, however, to refer to Ethiopia's "special relationship" with the US as has long been his wont. Meanwhile, Haile Selassie, who recently broke with Israel largely as a result of Arab pressure and just completed a trip to Moscow, is busy casting about for new foreign policy options.

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The Emperor may now be inclined to consider long-standing Soviet offers of military aid that may have been reiterated during his trip. Ethiopia's suspicions of Soviet intentions and its dissatisfaction with Soviet credit terms may have been diminished by Ethiopia's pre-occupation with its military vulnerability and its declining number of options with respect to military assistance.

The Emperor, whose trip also included a stop in Belgrade, reportedly asked the Yugoslavs for military advisers to replace the Israelis. Tito, an old friend of the Emperor and a fellow nonaligned leader, would probably be responsive to such a request and may even agree to provide low level military equipment. The Ethiopians also have hinted that they may turn to Peking, but China has only a limited ability to provide sophisticated equipment, such as the tanks and jet fighter desired by the Ethiopians. In the past when the US has not acceded to requests for arms assistance, the Ethiopians have not hesitated to spend hard cash on the open market. They have dealt successfully with the French on such occasions in the past and may approach them again.

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